DOCKET FILE COPY ORIGINAL

ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

RECEIVED

FEB 26 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of	)	
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
Rural Task Force Recommendation	)	

TO: The Commission

COMMENTS OF THE INTERSTATE TELCOM GROUP

Bruce C. Reuber, President
Interstate Telcom Consulting, Inc.
130 Birch Avenue West (P.O. Box 668)
Hector, MN 53342-0668
Telephone: (320) 848-6641
Facsimile: (320) 848-2466

Counsel:
Gerard J. Duffy
Blooston, Mordkofsky, Dickens, Duffy & Prendergast
2120 L Street, NW (Suite 300)
Washington, DC 20037
Telephone: (202) 659-0830
Facsimile: (202) 828-5568

Dated: February 26, 2001

No. of Copies rec'd 0+4
List A B C D E

TABLE OF CONTENTS

SUMMARY

Interstate Telcom Consulting, Inc. and fifty-eight of its rural telephone company clients ("the Interstate Telcom Group") support the adoption of the Rural Task Force Recommendation To The Joint Board On Universal Service and its implementation on or before July 1, 2001.

The Interstate Telcom Group supports the Rural Task Force ("RTF") Recommendation as a compromise package that has been developed and supported as a consensus proposal by the representatives of a diverse group of government, carrier and consumer entities. If adopted in its entirety without significant changes, the package will promote universal service, competition and consumer welfare.

However, the Interstate Telcom Group would not support each and every element of the RTF Recommendation if the proposals had been advanced separately rather than as parts of a compromise package. First, the Interstate Telcom Group believes that any cap on high cost loop support renders such support insufficient and unpredictable in violation of Sections 254(b)(5) and 254(e) of the Communications Act. Whereas the adjusted base and revised index of the proposed RTF cap are a major improvement over the existing "interim" cap, they still fall short of the Act's requirements. The "above-the-cap safety additive support" mechanism proposed by the RTF would further reduce the inadequacies of a cap, and would not result in greater than 100 percent reimbursement of any rural carrier's incremental loop investment.

Second, the Interstate Telcom Group opposes any freezing of the per-line support of rural carriers upon the entry of a competitor. Such a freeze does not appear to recognize the normal two-year lag between the incurrence of bona fide investment costs and operating expenses by rural carriers and their receipt of universal service support reflecting those costs. It also

disregards the facts that increased investment and universal service support may be necessary to serve rural areas after the entry of competition, and that competitors may elect not to serve the entire rural study area or disaggregated sector for which per-line support has been frozen.

Third, the Interstate Telcom Group believes that the rural exchanges acquired by rural carriers should be treated the very same as their pre-existing exchanges, and should not be subjected to any caps on universal service support. Rural telephone companies have a proven record of improving rural service by acquiring and upgrading the long-neglected rural exchanges of larger carriers, and have not engaged in subsequent resale of such exchanges for profit. Whereas the RTF proposal will provide some support for upgrades of newly acquired rural exchanges (and is consequently a major improvement over current Rule 54.305), it remains far less than what is required to encourage investment and service upgrades therein.

Finally, the Interstate Telcom Group is concerned that the new January, 2002 proceeding advocated by the Joint Board may undermine the certainty and stability finally achieved for the next five years by the RTF compromise. It believes that the Commission should give the RTF proposals at least 24 to 30 months to work before initiating a proceeding that may once again render uncertain the nature and amount of future federal universal service support.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
Rural Task Force Recommendation	)	
	)	
TO: The Commission	)	

COMMENTS OF THE INTERSTATE TELCOM GROUP

Interstate Telcom Consulting, Inc. (Interstate Telcom) and fifty-eight of its rural telephone company clients (collectively, the "Interstate Telcom Group") hereby submit their comments with respect to the Commission's Further Notice Of Proposed Rulemaking, FCC 01-8, released January 12, 2001, in this proceeding. The Interstate Telcom Group urges that the Rural Task Force Recommendation To The Federal-State Joint Board On Universal Service be adopted in its entirety and implemented on or before July 1, 2001.

The Interstate Telcom clients participating in these comments are rural telephone companies located in the states of Minnesota, Wisconsin, Michigan, Iowa, South Dakota and Ohio. They include Ace Telephone Association; Ace Telephone Company of Michigan; Amery Telcom, Inc.; Baldwin Telecom, Inc.; Bayland Telephone, Inc.; Bergen Telephone Company; Bernard Telephone Company; Bloomer Telephone Company; Bruce Telephone Company, Inc.; Chequamegon Telephone Cooperative, Inc.; Chibardun Telephone Cooperative, Inc.; Christensen Communications Company, dba Madelia Telephone Company; Citizens Telephone Cooperative, Inc.; City of Barnesville, dba Barnesville Telephone; Clear Lake Telephone Company, Inc.; Cochrane Cooperative Telephone Company; Coon Valley Farmers Telephone Company, Inc.;

Delavan Telephone Company; Dickeyville Telephone Corporation; Farmers Independent Telephone Company; Farmers Mutual Telephone Company (Okolona, Ohio); Farmers Mutual Telephone Company (Bellingham, Minnesota); Farmers Telephone Company (Lancaster, Wisconsin); Hager Telecom Inc.; Harmony Telephone Company; Hillsboro Telephone Company, Inc.; Lakefield Telephone Company; LaValle Telephone Cooperative, Inc.; Lemonweir Valley Telephone Company; Lost Nation-Elwood Telephone Company; Luck Telephone Company; Mabel Cooperative Telephone Company; Manawa Telephone Company, Inc.; Marquette-Adams Telephone Cooperative, Inc.; Mid-Plains Telephone, Inc.; Milltown Mutual Telephone Company; Minburn Telecommunications, Inc.; Minnesota Valley Telephone Company, Inc.; Mosinee Telephone Company; Nelson Telephone Cooperative, Inc.; Niagara Telephone Company; Northeast Telephone Company; Northern Telephone Company; Richland-Grant Telephone Cooperative, Inc.; Sharon Telephone Company; Siren Telephone Company, Inc.; Somerset Telephone Company, Inc.; Spring Grove Cooperative Telephone Company; Spring Valley Telephone Company, Inc.; The Home Telephone Company; Tri-County Telcom, Inc.; Tri-County Telephone Cooperative, Inc.; Union Telephone Company; Vernon Telephone Cooperative, Inc.; West Wisconsin Telcom Cooperative, Inc.; Wilderness Valley Telephone Company; Winthrop Telephone Company; and Wittenberg Telephone Company.

Interstate Telcom Group

Interstate Telcom is a telecommunications consulting firm located in Hector, Minnesota. Its five principal employees have over 140 years of collective experience in the telecommunications industry, and it has served rural telephone companies continuously since it commenced operations in April, 1981. Interstate Telcom performs a variety of telecommunications consulting services for rural telephone companies, including cost separation studies, revenue forecasting, access tariff development, depreciation studies, continuing property record maintenance, traffic engineering and analysis, Carrier Access Billing System (CABS) billing and reviews, National Exchange Carrier Association (NECA) reporting, average schedule settlements, access service requests (ASRs), AOCN services, circuit provisioning, business plans, and exchange acquisition assistance.

Interstate Telcom's rural telephone company clients range in size from 40 access lines to 25,000 access lines, and are located primarily in the states of Minnesota, Wisconsin, Michigan, Iowa, South Dakota Ohio and Montana. Interstate access revenues and federal universal service support are extremely important to the finances and operations of these small carriers. Interstate Telcom has studied a representative sample of its clients, and has found that interstate access revenues and federal universal service support comprise an average of 40.56 percent of their revenue bases. These percentages range from a low of 28.06 percent of the revenue base of a small carrier serving a bedroom community near a Wisconsin city, to a high of 78.59 percent of the revenue base of a small carrier in rural Minnesota.

The RTF Recommendation Will Promote Universal Service, Competition And Consumer Welfare

As noted by the Commission and the Federal-State Joint Board on Universal Service, the Rural Task Force (RTF) Recommendation is the consensus proposal of a broad range of interested parties, including rural telephone companies, competitive local exchange carriers, interexchange carriers, wireless providers, consumer advocates, and state and federal government agencies. The Recommendation recognizes the unique and diverse conditions in and among rural telephone company service areas, and proposes a reasonable and equitable plan for preserving and advancing universal service in those areas.

The Interstate Telcom Group does not support each and every separate element of the Recommendation. However, it understands that the Recommendation is a compromise package of carefully integrated provisions that has won the unanimous approval of the representatives of a diverse group of government, carrier and consumer entities. If the Commission adopts this compromise package without changes, the Interstate Telcom Group will support it.

The RTF reasonably recognized and emphasized the Section 254(b) principles that Congress expressly adopted to define the purpose, nature and scope of universal service and related support mechanisms. The Recommendation is fully consistent with these principles as they apply to rural and insular areas. It proposes a specific, predictable and sufficient federal support mechanism to ensure that quality services will continue to be available in rural and insular areas at just, reasonable and affordable rates. 47 U.S.C. Sec. 254(b)(1) and (5). It is designed to enable consumers in all regions of the Nation, including low-income consumers and those in rural, insular and high-cost areas, to have access to telecommunications and information services (including interexchange services and advanced telecommunications and information services) that are reasonably comparable to those services provided in urban areas and that are available at rates reasonably comparable to rates charges for similar services in urban areas. 47 U.S.C. Sec. 254(b)(3). It continues the funding of the universal service support mechanism by equitable and nondiscriminatory contributions from all providers of interstate and international telecommunications services. 47 U.S.C. Sec. 254(b)(4).

The Recommendation will promote and advance universal service by reducing, for up to five years, the uncertainty that has constrained the investment and service plans of rural carriers since the Commission first proposed to restructure the former Universal Service Fund in 1995 (CC Docket No. 80-286). The RTF support mechanism is economically and administratively workable for the Commission, the telecommunications industry, and the small carriers that serve much of Rural America. It reasonably and prudently rejects the use of a "one size fits all" proxy model that would be either too simplistic to reflect the diversity among small rural local exchange carriers (LECs), or too complicated to administer efficiently. Rather than creating arbitrary "winners" and "losers" among small carriers, the RTF mechanism employs actual costs that recognize the diverse geographic, demographic, economic, weather and technical conditions under which rural carriers must operate. The RTF mechanism will be administered and controlled in association with the proven cost reporting, review and accountability system of an independent third party administrator like the National Exchange Carrier Association (NECA).

The Recommendation is competitively neutral, and will not hamper the entry of new carriers that desire to serve rural residents. Support will be available to all Eligible Telecommunications Carriers (ETCs) designated to serve rural study areas. It will be targeted and disaggregated in a flexible manner that takes into consideration the widely varying geographic and cost characteristics of each rural service area, as well as the unique regulatory and competitive environments of each state.

The Recommendation will promote consumer welfare. By reducing the uncertainty regarding the nature and sufficiency of future universal service support that has plagued the rural LEC industry for the last six years, the RTF mechanism will provide rural carriers with a more stable planning environment in which to make investments in new and improved facilities, and to offer new and improved services to their rural customers. Equally important, by employing actual costs rather than a proxy model, the RTF mechanism will ensure that adequate universal service dollars will be available to support local service rates in most rural LEC study areas.

No Cap Should Be Imposed Upon High Cost Loop Support

The Interstate Telcom Group opposes the imposition of any cap on the revised High Cost Loop Fund. Whereas the RTF proposal for a re-based new cap with a rural growth factor applied on a going-forward basis is a vast improvement over the existing "interim" cap on the High Cost Loop Fund, the RTF cap still renders support insufficient and unpredictable in violation of Sections 254(b)(5) and 254(e) of the Communications Act.

The "temporary" indexed cap on the High Cost Loop Fund adopted by the FCC in 1993 is now more than seven years old. Amendment of Part 36 of the Commission's Rules and Establishment of a Joint Board, 9 FCC Rcd 303 (1993). Since 1997, the current indexed cap has reduced the high cost loop support received by rural LECs by a steadily increasing portion of the amount deemed "sufficient" under the existing universal service rules and formulas. These shortfalls are placing greater and greater strains on the operating and investment capabilities of rural LECS.

In the present environment, any significant relief from the current "interim" cap is welcome. The RTF Recommendation will re-base the cap to encompass only rural LECs, and to reflect uncapped universal service support and corporate operations expense for calendar year 2000. It will improve the predictability and sufficiency of the high cost loop support mechanism. Likewise, the RTF's "Rural Growth Factor" is a more accurate, reasonable and equitable index for rural telephone company service that the index employed by the current "interim" cap.

The RTF proposal for above-the-cap safety net additive support for rural carriers having over 14 percent growth in telecommunications plant in service (TPIS) is intended to alleviate the most severe impacts of the modified High Cost Loop Fund cap on carriers that have invested in good faith to furnish universal services to their rural customers. This safety net additive mechanism will never enable rural carriers to recover more than 100 percent reimbursement on their incremental loop investment. For example, assume that the proposed cap on the modified High Cost Loop Fund was triggered for 2003. Assume further that ILEC A met the 14% TPIS growth criterion, that ILEC A would have received High Cost Loop Fund support in the amount of $1,500,000 if the cap had not been triggered (uncapped amount), and that ILEC A would receive $1,400,000 under the cap (capped expense adjustment). The application of the safety net additive mechanism means that ILEC A would receive 50 percent of the difference between the $1,400,000 capped expense adjustment and the $1,500,000 uncapped amount. This additional $50,000 "safety net additive" would be paid to ILEC A in addition to its capped $1,400,000 High Cost Loop Fund support for the year, for total support of $1,450,000. Because the total payment is always less than the High Cost Loop Fund support that would have been paid in the absence of a cap, it will never exceed 100 percent reimbursement on a rural carrier's incremental loop investment.

Per-Line Support Should Not
<u>Be Fixed In Competitive Study Areas</u>

The Interstate Telcom Group believes that the RTF proposal that per-line universal service support be frozen in competitive areas as of the end of the quarter prior to competitive entry will have significant adverse impacts upon rural LECs and their rural customers.

First, the freeze mechanism appears not to consider the normal two-year lag between the incurrence of universal service costs and the receipt of universal service support. If this lag continues to exist under the revised system, the freeze mechanism will deprive a rural LEC of universal service support that it would otherwise receive for investments and expenditures made during the two years prior to the entry of a competitor into its study area. The resulting shortfall in revenues can significantly disrupt the finances of a small rural LEC, and impair its ability to provide service both in the portion of its service area subject to competition and in the portion where no competition exists.

Second, the freeze mechanism disregards the possibility that increased per-line support may be necessary to meet universal service objectives in some rural areas even after the entry of competition. Whereas some assume that competition by itself will bring about service improvements and rate decreases in Rural America without regard to universal service support, there is not yet sufficient evidence or experience to support or disprove this assumption. It remains quite likely that loop costs in some rural areas will remain significantly above the national average even after the entry of competitors, and that increased per-line support will be necessary to enable both competitors to make the infrastructure upgrades necessary to furnish the requisite universal services.

Third, as evidenced by the recent Smith Bagley, Inc. petition to redefine the service areas of several rural LECs in Arizona (Public Notice (Smith Bagley, Inc. Petitions For Agreement To Redefine The Service Areas Of Navajo Communications Company, Citizens Communications Company Of The White Mountains, And Century Tel. Of The Southwest, Inc. On Tribal Lands Within The State Of Arizona), DA 01-409, released February 15, 2001), some competitors will not serve the entire study area of the rural LEC whose per-line support is to be frozen. In other instances, the competitor will "serve" the rural LEC's entire study area, but only by means of a thinly advertised "resale" offering intended to attract few or no customers in undesirable, sparsely populated areas. The disaggregation mechanism proposed by the RTF will not prevent the freezing of per-line support in partially competitive areas, for it is likely that many competitors will serve a portion of the rural LEC's outer zone(s). Hence, it is likely that per-line support will be frozen in substantial portions of a "competitive" study area that the competitor never actually serve.

In the spirit of compromise, the Interstate Telcom Group supports the RTF proposal that per-line support be frozen in competitive areas as of the end of the quarter prior to competitive entry. However, the Interstate Telcom Group supports this proposal only as an integral part of the entire RTF package and only if the entire RTF proposal is adopted without change.

Rural LECs Should Receive Full Universal Service Support For Acquiring And Upgrading The Long-Neglected Rural Exchanges Of Larger Carriers

The Interstate Telcom Group supports the RTF Recommendation that additional universal service support be provided to rural LECs that acquire and upgrade the infrastructure and service of rural exchanges. However, it believes that the RTF proposal should have gone further, and that the new exchanges acquired by rural LECs should be treated exactly the same as their pre-existing exchanges for all purposes, including universal service support. This would provide the greatest and most efficient incentive for new investment in rural telecommunications infrastructure.

During the past decade, rural LECs have purchased hundreds of rural exchanges from the large price cap carriers. Many of these exchanges had been very low-priority operations for their prior owners, and were using outmoded plant and equipment. The Commission's study area waiver files contain numerous examples of how rural LECs upgraded these long-neglected rural exchanges. See e.g., Union Tel. Co. and US WEST Communications, Inc., 12 FCC Rcd 1840 (1997) (upgrade to digital loop carrier, install new cable, replace aerial wire) Pend Oreille Tel. Co. and GTE Northwest, Inc., 12 FCC Rcd 63 (1997) (upgrade to fiber, offer single party service, purchase CLASS-capable digital switch); Accipiter Communications, Inc. and US WEST Communications, Inc., 11 FCC Rcd 14962 (1996) (install fiber, digital switch, extend service to unserved areas). The Commission's study area files also show that the promise and record of rural LEC upgrades resulted in vigorous support for these exchange acquisitions by state and local governments, local business communities, and local residents.

Notwithstanding their substantial public interest benefits, the Commission has discouraged rural LEC acquisitions of exchanges from larger carriers since 1994. The Commission first began conditioning its grant of study area waivers upon the consolidation of the pre-existing exchanges and the newly acquired exchanges of the rural LECs into a single study area. See GTE Southwest Incorporated and EagleNet, Inc., 9 FCC Rcd 1008 (1994). Frequently, such consolidations resulted in a carrier being punished for acquiring and upgrading a nearby exchange by having the high cost loop support that it previously had received for its pre-existing exchanges reduced by a substantial amount. See GTE Midwest Incorporated, Modern Telecommunications Company and Northeast Missouri Rural Telephone Company, 11 FCC Rcd 11553 (1996) (rural LEC that acquired and upgraded three GTE exchanges had the high cost loop support previously received for its eleven pre-existing rural exchanges reduced by over $250,000 per year). Next, the Commission began placing caps on the total high cost loop support to be received by acquiring rural LECs not only for their newly acquired exchanges but also for their pre-existing exchanges during the next three or more years. See Accent Communications, Inc., 11 FCC Rcd 11513 (1996). While intended to limit Universal Service Fund outlays, these caps penalized rural LECs that upgraded the plant of their pre-existing exchanges and/or their newly acquired exchanges. Finally, since May of 1997, Section 54.305 of the FCC's Rules has limited the high cost loop support available to rural LECs for newly acquired exchanges to the per-line support for which the exchanges were eligible prior to the transaction. This rule continues to penalize rural LECs that upgrade newly acquired exchanges. At the time that it adopted Section 54.305, the Commission stated that it was merely a transition mechanism for rural LECs, and that all exchanges (pre-existing and newly acquired) would be treated equally once the Commission implemented a revised federal universal service support mechanism (then presumed to be a forward-looking economic cost methodology) for rural carriers. Federal-State Joint Board on Universal Service, 12 FCC Rcd 8776, 8943 (1997).

The RTF Recommendation would provide additional universal service support to rural LECs that make meaningful new investments to enhance the infrastructure of, and improve the service in, newly acquired exchanges. The Interstate Telcom Group believes that such "meaningful new investments" include any and all additions or upgrades to an acquired exchange that would permit the addition or improvement of services included under the then-current definition of "universal service." For example, "meaningful investments" would include, inter alia, addition of higher capacity lines, replacement of aerial wire with buried cable, addition of single party service, and extension of service to previously unserved areas.

The Interstate Telcom Group believes that caps on aggregate high cost loop support or on safety valve support for acquired exchanges violate the requirement of sufficient and predictable universal service support, and should be rejected. Moreover, the RTF plainly did **not** recommend that the cap on safety valve support be limited to five percent of the overall cap on high-cost loop support. Rather, the RTF employed the "five percent" figure merely as an illustration in the example of a safety valve mechanism included in Appendix D to its Recommendation.

To date, rural LECs have not bought and sold rural exchanges for profit, and there is no indication that such trading is planned during the foreseeable future. Rather, the vast majority of rural exchanges acquired by rural LECs from U S West, GTE and Sprint during the past decade are still being operated by the acquiring rural LEC or its successor entity. However, if an acquired exchange receiving safety valve support is subsequently included in a sale of exchanges, the safety valve support should transfer with it just like other universal service support. The Interstate Telcom Group does not see any difference between the service needs of rural residents who live in exchanges that have long been served by a rural LEC and the service needs of rural residents who live in exchanges that were acquired by rural LECs after some specified date (such as May 7, 1997 or July 1, 2001). Rather it believes that artificial distinctions between pre-existing and newly acquired exchanges discriminate unreasonably against the rural residents living in such exchanges, and should be terminated as soon as possible or at least minimized as much as possible.

In the spirit of compromise, the Interstate Telcom Group will support the RTF proposal for safety valve support for newly acquired exchanges even though it believes that acquired exchanges should be treated exactly the same as pre-existing exchanges. Compared with the existing Rule 54.305 and other anti-acquisition rules and policies during the last six years, the RTF proposal provides greater incentives for rural LECs to acquire and upgrade long-neglected rural exchanges. The Interstate Telcom Group therefore supports it, but only as an integral part of the entire RTF package.

The Proposed Future Joint Board Study Should Not
Undermine The Certainty And Stability Of The RTF Recommendation

At paragraph 21 of its Recommended Decision, the Joint Board urged the Commission to refer to initiate, no later than January 1, 2002, a proceeding to consider implementation of an appropriate high-cost mechanism for rural carriers after the expiration of the RTF plan.

The Interstate Telcom Group understands that the RTF Recommendation is proposed for a term of five years, presumably from July 1, 2001 to June 30, 2006. However, one of the primary aspects of the RTF Plan is that it reduces uncertainty during this period regarding the universal service support mechanism and revenues relied upon by rural LECs. As noted above, the Commission's 1995 inquiry into the former Universal Service Fund (CC Docket No.80-286) and the various proceedings implementing the Telecommunications Act of 1996 (particularly, the present CC Docket No.96-45) have resulted in a six-year period of uncertainty regarding these critical programs. This uncertainty has constrained the investment and service plans of rural LECs.

It would be unfortunate if the increased certainty and stability achieved by adoption of the RTF Recommendation were undermined six months after its implementation by a new proceeding intended to replace the RTF mechanisms before anyone can reasonably determine whether and how well they are working. It would appear to be much better public policy to implement the RTF proposals, and then to monitor their impact upon universal service, competition and consumer welfare for a reasonable period (of at least 24 to 30 months) before initiating a new proceeding looking toward their replacement. After all, it is conceivable that the RTF mechanisms will work so well that they can be retained, with minimal adjustments, for a period much longer than their initial five-year term.

Conclusion

The Interstate Telcom Group supports the RTF's Recommendation, and requests that the Commission adopt and implement it without changes as of July 1, 2001. Although the Interstate Telcom Group opposes the imposition of any caps or competitive freezes on high cost loop support and on support for newly acquired exchanges, it recognizes that the Recommendation is a compromise. More important, it is a compromise that has been fashioned by, and that has received the consensus support of, a broad cross-section of industry representatives. The Interstate Telcom Group believes that this compromise is fair and equitable to all government entities, carriers and consumers affected by it, and that it will preserve and advance universal service in the areas served by rural telephone companies. Therefore, the Interstate Telcom Group asks the Commission to adopt and implement the Recommendation.

Respectfully submitted,
INTERSTATE TELCOM CONSULTING, INC.

By: Bruce C. Reuber/GJD
Bruce C. Reuber, President

130 Birch Avenue West (P.O. Box 668)
Hector, MN 53342-0668
Telephone: (320) 848-6641
Facsimile: (320) 848-2466

Counsel:
Gerard J. Duffy
Blooston, Mordkofsky, Dickens, Duffy & Prendergast
2120 L Street, NW (Suite 300)
Washington, DC 20037
Telephone: (202) 659-0830
Facsimile: (202) 828-5568

CERTIFICATE OF SERVICE

I, Douglas W. Everette, hereby certify that I am an attorney with the law firm of Blooston, Mordkofsky, Dickens, Duffy & Prendergast, and that a copy of the foregoing **Comments of The Interstate Telcom Group** concerning the Recommenced Decision of the Rural Task Force to be served by first class mail or hand delivery this 26th day of February, 2001, to the persons listed below.

Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
445 Twelfth Street, S.W. – Suite TW-A325
Washington, D.C. 20554

Sheryl Todd
Accounting Policy Division
Common Carrier Bureau
Federal Communications Commission
445 Twelfth Street, S.W.--Room 5-B540
Washington, D.C. 20554

International Transcription Service
1231 20th Street, N.W.
Washington, D.C. 20037

Douglas W. Everette
Douglas W. Everette